GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO.5448
ANSWERED ON 15.12.2010
ANSH SINGH
BHAGIRATH CHOUDHARY

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the salient features of the Swarnajayanti Gram Swarozgar Yojana (SGSY) and District Rural Development Agencies (DRDAs);
(b) the criteria for allocation of funds under each scheme to various States and corresponding Central share; and
(c) the details of proposals received , funds released and utilization during each of the last three years, State-wise?

Answer

MINISTER OF STATE FOR RURAL DEVELOPMENT(SHRIVILASRAOMUKHRAI)
(a) The salient feature of the Swarnjayanti Gram Swarozgar Yojana (SGSY) and District Rural Development Agencies are as follows:

1. Swarnjayanti Gram Swarozgar Yojana (SGSY): The important feature of the Swarnjayanti Gram Swarozgar Yojana (SGSY) are as mentioned below :-

- Establishing a large number of micro-enterprises in the rural areas building upon the potential of the rural poor;

- Emphasis on group approach (Self-Help Groups) and various dedicated to the poor;

- Implementation of the programme on the basis of identified key activities (key-activity)

- Emphasis on promotion of activity clusters;

- Emphasis on Pre-commitment of Bankers in preparation of project report on each key activity;

- In-built provision for infrastructure development, upto 20% of the Funds in each year

- Emphasis on organization of Rural poor into Group. At least half of the groups in each block should be of women

- Effective post credit monitoring including tech-Dentity;

- Promoting Multi Crafts);

- Cross Development;

- Technology intervention;

- Promoting Market Facility for the SGSY products including market intervigions, thematically and institutional arrangements etc;

- Focus on vulnerable groups (at least 50% of the beneficiaries should be SCs & STs, Women and disabled 3%);

- The subsidy available under the SGSY is 30% of the project cost subject to a maximum of Rs.7500/- per individual beneficiary for sub-SCs/STs and 50% of the project cost subject to a maximum of Rs.10,000/- in case of SC & ST beneficiaries. For Group beneficiaries ,the subsidy is 50% of the cost of the scheme subject to a ceiling of Rs.1.25 lakhs. There is no monetary ceiling on subsidy for irrigation projects. Subsidy is Back ended.

- The funds for the SGSY are shared on 75:25 ratio between Centre & State Governments.

(b) District Rural Development Agencies: The important relevant features of the District Rural Development Agencies are as mentioned below :-

- The DRDA Act/ Society as a specialised agency capable of managing the anti-poverty programmes of the Ministry in the Long haul and to effectively locate them to the utmost effort of poverty eradication in the District.

- DRDAs are to develop the capacity to build synergies among different agencies involved for the most effective results. The role of the DRDA will therefore be distinct from all the other agencies.

- The DRDAs should deal only with the anti-poverty programmes of the Ministry of Rural Development. If, DRDAs are to be entrusted with programmes of other Ministries or those of the State Governments, it should be ensured that these have a definite anti-poverty focus. Entrusting of any programme to the DRDAs, other than anti-poverty programmes of the Ministry, be it of any other Ministry of Government of India, or the respective State Government, will have to be done with the approval of the Secretary, Rural Development of the respective State(s), who shall examine such request in consultation with the Ministry of Rural Development. In such cases, it will be ensured that adequate provision is made for separate staffing needed for proper implementation of the programme.

- In respect of such States where DRDA does not have a separate identity, a Cell shall be created in the Zilla Parishad which shall maintain separate accounts, so that the accounts are capable of being audited .

- The staffing structure of DRDAs will include positions for training for poverty eradication, Project Formulation, Credit Organization and Capacity Building, Gender Concerns, Engineering supervision and Quality Control, Project monitoring, Accountancy and Audit functions as well as Evaluation and Impact studies. The principle to be followed will be to ensure that other aspects of programmes will be handled outside the DRDAs and that DRDA's core will be to facilitate the implementation of the programmes, to supervise / oversee and monitor the progress, to receive and send the progress reports as well as to account for the funds.

- Each DRDA would be headed by a Project Director (PD), who should be of the rank of an Additional District Magistrate. The post of the Project Director is crucial and care for dedicated hard work. The PD should be exclusively for the DRDA work.

- In such States where the Chief Executive Officer (CEO) of the Zilla Parishad is the Chairman of the governing Body of the DRDA, the CEO of the Zilla Parishad could be designated as the Project Director of the DRDA.

- Each DRDA shall have the following wings/ Sub-wings/and Wing Heads (only Wage employment wing/ Employment Wing (for Wage employment & Rural Housing programmes)/Watershed Wing, Jawaharlal Nehru Nagar Development Programme (JNNUR)/ Drought Prone Areas Programme (DPAP)/ Integrated Wasteland Development Programme (IWDP) programmes are under implementation)/Accounts Wing/ Monitoring and Evaluation Wing/ and General Administration wing. The Scheme provides for an indicative staffing pattern.

- The ceiling on administrative cost per district is fixed as follows:

Category A districts (1.5 Crores) Rs. 30 Lakhs
Category B districts (1 - 1.5 Crores) Rs. 25 Lakhs
Category C districts (0.5 - 1 Crores) Rs. 20 Lakhs
Category D districts (0.25 Crores) Rs. 15 Lakhs

Any increase over and above the ceiling should be met entirely by the State Government. This ceiling would be raised every year, on a compounding basis, up to 5% to set off the increases due to inflation etc.

- Project Director, Project Officers, Asstt. Project Officers and all technical posts shall be manned by officers selected in an objective manner by specific Selection Committee.

(c)
(i) Under the DRDA, allocation of funds to the States is being made by the Central Government in proportion to the poverty ratios in each State on the basis of estimates of poverty made by the Planning Commission based on the National Sample Survey Organisation (NSSO) 5 Yearly Expenditure Survey conducted every five year.

(ii) Under the DRDA Administrative Scheme, allocation of Central share of Funds are made to the States on basis of the ceiling on administrative cost per district as indicated in reply to part (a) of the question.

(c) The funds are released in two instalments by the Centre. The release of first instalment can be made without any further request from the DRDAs of the second instalment in the previous year had been released without any condition. The second instalment of Central Funds is released on the request of the DRDA on the fulfilment of the following conditions:-

- Audit reports and Utilisation Certificates for the last year should be available.

- Certificates regarding Bank Reconciliation, non-diversion of Funds, Funds not having been deposited in Treasury etc. should be furnished by the DRDA.

- 50% utilisation of available Funds including carry forward Funds and in case of Hill Desert Districts and Backward & Border Blocks, the utilisation of 75% of available Funds.

- Annual Plan should have been approved by the Governing Body of the DRDA.

- The State Government should have released matching share during the previous year.

- Any other terms and conditions imposed at the time of the last release should have been met.
The conditions as above however, apply for release of each instalment to districts in Hill Desert areas and Backward Border blocks as Funds are released to these districts in one instalment.

The SGSY programme and the DRDA Administration scheme are being implemented since 1.4.1999. The State-wise and year-wise Central Funds released and Funds utilised under the SGSY are given at Annexure-I and Central Funds released under the DRDA Administration Scheme are given at Annexure-II. The utilisation of Funds under the DRDA Administration Scheme is not maintained separately since it is a staff oriented scheme.